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June 1943 UNITED STATES DEPARTMENT OF AGRICULTURE
U.S. Bureau of Agricultural Economics

RECENT DEVELOPMENTS IN THE 1943 AGRICULTURAL
MANPOWER SITUATION

The following statement is intended to supplement the appraisal of the 1943 agricultural labor situation presented in Memorandum on Manpower in Agriculture for 1943 issued early in March by the Bureau of Agricultural Economics. Certain important factors affecting the 1943 agricultural manpower outlook, which were only in initial stages of development in February and March of this year, may now be examined somewhat more concretely in the light of developments to date and prospects for the remainder of the year.

(1) Farm labor requirements. Labor requirements originally considered in the light of goal acreages and production may now be aligned more nearly in terms of actual production prospects. Although crop prospects are for a total acreage no greater and possibly slightly less than the harvested acreage of 1942 and for yields averaging lower than last year, total man-hours of labor required for 1943 agricultural production may not differ materially from those in 1942. The extra labor utilized in replanting flood-damaged crops and in handling larger livestock numbers, together with the greater use of inexperienced workers and women, may offset the reduction in man-hours of work associated with lower yields and possibly slightly reduced acreages. Labor requirements, however, are being met by a smaller farm working force this year than last year, largely as a result of an increase in the average length of the work-week of agricultural workers. For every month through May, weekly hours of work have been greater than in 1942, averaging 8 percent higher. For the remaining months of the year some further increase in the length of the work-week is probable and labor requirements during the summer and fall will probably be met by a slightly smaller working force than was used in the corresponding months of last year.

(2) Farm employment. Total employment on farms as of June 1 was approximately 2 percent under that of June 1942, with the decrease occurring almost entirely in the case of hired workers, who numbered approximately 6 percent fewer than in June a year ago. A slightly lower level of farm employment has been estimated by the Bureau of Agricultural Economics for each of the first 5 months of the year as compared with corresponding months of last year. The reduction reflects a decrease in the supply of labor available for hire and some decrease in the demand for hired labor as a result of the lateness of the season in many areas. Farm employment has been averaging below last year's level in each of the major geographic divisions except the Pacific States, where favorable weather conditions, relatively high farm wage rates and use of imported Mexican workers have been factors in the increase of hired farm workers.

(3) Farm labor supply. The special measures taken to check the outmovement of farm workers to the armed forces and industry are tending to maintain the supply of regular farm workers. The occupational deferment of agricultural workers under the "Tyding's Amendment" is the most important factor. As of May 31

approximately 1,300,000 farm workers in the 18-37 year age group have been reclassified to the deferred II-C or III-C status. In addition about 400,000 farm workers in the 38-44 age group have also been so classified. By the end of this year, it is probable that between 2 and 2.5 million workers in the present military age group will have been granted deferment on the basis of their agricultural occupation.

Regulations issued by the War Manpower Commission to control transfers of workers from essential occupations are an additional factor tending to reduce shifts of farm workers to nonfarm occupations. These regulations, however, apply only to wage workers and not to farm operators or unpaid family workers, and thus limit the overall effectiveness of the Commission's employment stabilization measures in their application to agriculture. These regulations have been in effect only a short time and their application to local conditions involves complex problems of administration, so that their influence on transfers of agricultural workers to other jobs has probably been relatively minor up to the present. As problems of administration are solved, it is likely that losses of experienced farm workers will be reduced below that which might otherwise occur.

Besides checking the loss of farm workers to the armed forces and industry, draft deferment of agricultural workers has resulted in some shifting of workers from nonagricultural occupations to agriculture. Information recently made available with respect to the number of military age males who shifted from nonagricultural work to agriculture during the first quarter of this year suggests that in the absence of Selective Service regulations the number shifting into farm work would have been about 100,000 fewer than was actually the case. This does not mean that a greater number of these persons shifted from nonagricultural to agricultural work in the first quarter of this year over last year, but it does mean that in view of the depletion of males of military age in the civilian population, 100,000 fewer military age males would have entered farm employment in the first quarter of this year than actually did. No information is available with respect to the extent of this shift-back to farm work since April, but it is probable that additional transfers to farm work by males of military age have occurred.

Return of former farm workers to farms is not limited, of course, to males of military age. The completion of numerous war construction projects has made available former farm workers for other employment, including agriculture. The contraction of employment on construction activities is indicated by the fact that in April of this year, only 1,295,000 workers are estimated to have been employed in construction compared with 1,771,000 in April 1942. Discharges from the armed forces of persons over 38 years of age, conditional upon their assumption of employment in essential occupations, have also contributed to a return of former farm workers. Measures taken by the War Manpower Commission to induce registrants in nondeferable occupations, in the IV-F category and in the over-age group to enter into essential occupations may also have contributed in the same direction.

Special measures carried on by the Department of Agriculture are also contributing to the maintenance of the farm working force at its current levels. These measures include the importation of Mexican, Jamaican, and Bahamian workers. Up to the present time a total of about 39,000 of these workers have been brought into the United States this season for work on farms. In addition,

the Department is carrying on through the Extension Service a recruitment and placement program. Some use of war prisoners in agricultural work has been reported, and plans are under way for providing camp facilities in areas of important agricultural activity for about 90,000 war prisoners, although only about 35,000 are reported to be in the country.

Farm wage rates through June 1 have continued their upward trend, increasing at a greater than seasonal rate from January to April and from April to June. The wage rate per day without board on June 1, 1943 averaged \$2.96 as compared with \$2.10 a year ago, and with a record high in 1920 of \$3.46. These farm wage trends reflect higher levels of farm income and nonagricultural wage rates, and a continuation of a stringent labor supply situation although there are marked differences among States. In contrast with increases of 7 to 14 percent from January to June of this year in the Northern and Western Divisions in farm wage rates per day without board are the increases of only 1 or 2 percent in the South Atlantic and West South Central Divisions. Similarly the rates per day of \$4 to \$6 on June 1 in most of the Northern and Western States of the country contrast sharply with wage rates of less than \$2 per day without board in six of the Southeastern States.

(4) Conclusions. The fact that agricultural employment is now only slightly under that of a year ago and that all but about 8 percent of these are farm residents indicates that the extensive losses of farm workers which occurred up to the end of last year have been almost entirely replaced. Replacements have come primarily from the farm population through the entrance into farm work of the family members remaining on the farms. Recruitment of nonfarm persons for farm work has so far succeeded only in maintaining the same numbers of nonfarm resident persons at farm work as were employed last year except for those of the 40,000 imported foreign workers who are not living on farms. Available data indicate no net increase (and in some months a decrease) over corresponding months of last year in the number of nonfarm resident agricultural workers through May of this year. The use of more women, youths, and inexperienced workers this year is being offset by fuller employment of the experienced workers who are putting in more hours per week or per month. Fuller use is also being made of farm machinery on an individual and community basis, the latter through pooling, custom tillage, and other cooperative arrangements.

For the country as a whole, the total farm employment level in prospect for the remainder of the year appears to be adequate to take care of the expected production, although differences in the relative tightness of the farm labor situation among areas can be expected in view of the very uneven distribution of the available labor supply in relation to labor needs. In some localities with high seasonal harvest labor requirements, labor shortages will probably give rise to difficult problems of recruitment of an adequate supply of labor. On the other hand, extensive underemployment in localities of high population pressure and marginal farming operations is still present. Local, State, and Federal regulations with respect to the transporting or removal of workers across county and State lines are obstacles in the way of securing a somewhat fuller utilization of farm workers.

In 1942 a considerable amount of the slack present in the use of the farm working force was taken up through the increased labor requirements for higher production resulting in fuller employment of workers, and through the greater use of potential labor reserves to replace workers who left the farms. This year the evidence is that a further taking up of slack is occurring. Except in the most productive sector of the agricultural economy, however, it is probable that the productivity of the present farm working force is still far below its maximum level. Attainment of considerably higher production goals in 1944 is dependent in large measure on fuller utilization of the underemployed farmers through increasing the production facilities of overmanned farms and through an effective redistribution of the labor supply from less to more productive farming areas.

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